



PEFINDO CREDIT RATING INDONESIA

PRESS RELEASE
August 22, 2005

BPD Sumatera Selatan

PEFINDO upgraded the ratings for PT Bank Sumsel (BPSS or the bank) and the bank's Bond I/2003 of IDR200 billion to "**idBBB**" from "**idBBB-**". The ratings reflect the bank's ability to improve its business position in the region as well as maintain relatively favorable margins. Nevertheless, those strengths have been moderated by the bank's increasing non performing loans (NPL) level. BPSS was established on November 16, 1962 as Bank Pembangunan Daerah Sumatera Selatan. In October 2001, the bank's name and status were changed to Perseroan Terbatas Bank Pembangunan Daerah Sumatera Selatan (PT Bank Sumsel). As to date, Provincial Government of Sumatera Selatan is the major shareholder with 45.9% ownership, while the remaining is owned by several Municipal Governments in Sumatera Selatan (54.1%). As of December 2004, BPSS employs 825 staffs to operate its 59 offices (including Jakarta office) and 33 self owned ATMs, which are also linked to ATM BCA.

Rating Period: August 3, 2005 – June 1, 2006
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